

Department of Labor and Workforce Development

Mission

The mission of the Department of Labor and Workforce Development is to provide safe and legal working conditions and to advance opportunities for employment.

Core Services

- Statutory and Regulatory Assistance and Enforcement to protect Alaska's workers.
- Workforce Development to support Alaska hire and economic development.
- Income replacement for injured, unemployed and permanently disabled workers.

End Result	Strategies to Achieve End Result
<p>A: Full employment of Alaska workforce.</p> <p><u>Target #1:</u> Increase employment of the available Alaska resident workforce by .5% per year.</p> <p><u>Status #1:</u> The number of Alaska resident workers increased from 317,968 in 2006 to 322,758 in 2007, a 1.5% increase.</p> <p><u>Target #2:</u> Decrease the percent of non-residents working in Alaska by 2% per year.</p> <p><u>Status #2:</u> Nonresident hire rate declined from the previous year levels by 0.3%. The nonresident hire rate fell from 19.9% in 2006 to 19.6% in 2007.</p>	<p>A1: Enforce the provisions for resident hire preference on public construction projects.</p> <p><u>Target #1:</u> Check 60% of certified payrolls for compliance with Alaska resident hire requirements.</p> <p><u>Status #1:</u> 60% of the certified payrolls were checked in FY2009 for compliance with resident hire requirements.</p> <p>A2: Increase the number of Workforce Investment System participants who get jobs.</p> <p><u>Target #1:</u> Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year.</p> <p><u>Status #1:</u> In FY2009, 54% of Workforce Investment System participants entered employment after exiting the system.</p> <p><u>Target #2:</u> Increase the number of Workforce Investment System participants by 500 as compared to the previous year.</p> <p><u>Status #2:</u> Workforce Investment System participants increased by 29,420 in FY2009 as compared to FY2008.</p> <p><u>Target #3:</u> Equal prior year's number of employed individuals exiting the vocational rehabilitation program.</p> <p><u>Status #3:</u> The number of individuals exiting the vocational rehabilitation program employed in FY2009 was 549, a 3.8% increase over the prior year.</p> <p>A3: Increase the number of job orders and job openings listed in the Workforce Investment System.</p> <p><u>Target #1:</u> Increase the number of job openings placed by employers by 1,000 as compared to the previous year.</p> <p><u>Status #1:</u> 56,069 job openings were posted in the Alaska Labor Exchange System for FY2009, down 8,227 from a year ago.</p>

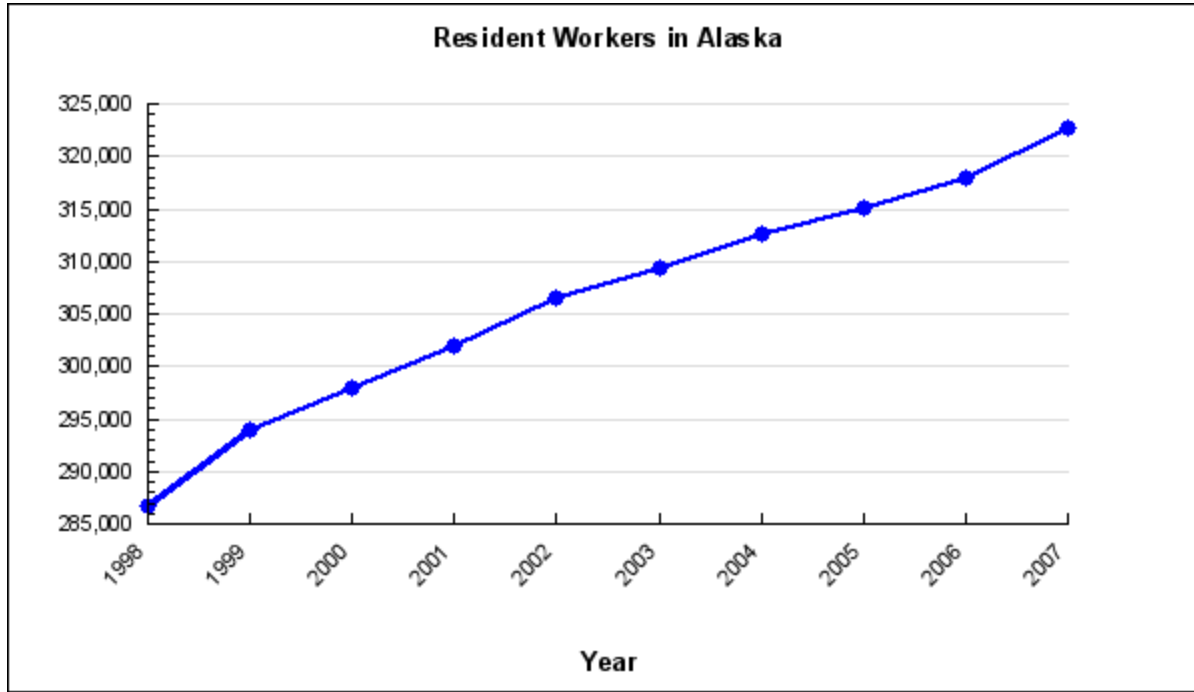
End Result	Strategies to Achieve End Result
<p>B: A prepared workforce.</p> <p><u>Target #1:</u> At least 95% of trained participants will enter employment</p> <p><u>Status #1:</u> The rate at which trained workforce participants, who complete training and enter employment remained above the target of 95% during FY 2009.</p>	<p>B1: Improve the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).</p> <p><u>Target #1:</u> At least 60% of participants are trained in occupations aligned with the Alaska Workforce Investment Board industry priorities.</p> <p><u>Status #1:</u> The number of participants trained in Alaska Workforce Investment Board priority industries continues to exceed the 60% target, coming in at 78.4% for FY 2009.</p>
End Result	Strategies to Achieve End Result
<p>C: Eliminate accidental injuries, fatalities and occupational illnesses within departmental jurisdiction.</p> <p><u>Target #1:</u> 3% reduction in the 5 year moving average rate of workplace fatalities per 100,000 employees.</p> <p><u>Status #1:</u> Although the annual fatality rate jumped significantly in FY09, and this is cause for concern, the five year average rate was reduced by 21%. Alaska Occupational Safety and Health's strategy is to increase the number of staff visits to work sites assisting employers and employees by making recommendations for preventative measures and education, to reduce accidents in order to reach the zero fatality rate goal.</p> <p><u>Target #2:</u> 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees.</p> <p><u>Status #2:</u> Fiscal year 2009 rate of workplace lost time injuries and illnesses increased 2% after declining 15% in fiscal year 2008.</p> <p><u>Target #3:</u> Zero accidental workplace fatalities.</p> <p><u>Status #3:</u> In FY2009, Alaska Occupational Safety and Health's jurisdiction had five workplace fatalities as opposed to two in FY2008. However, the long term trend illustrates a sustained reduction in the fatality rate below the benchmark rate of six.</p>	<p>C1: Improve voluntary compliance with Occupational Safety and Health (OSH) requirements.</p> <p><u>Target #1:</u> Increase the number of Voluntary Protection Program and Safety & Health Achievement Recognition Program sites in Alaska by 10% per year.</p> <p><u>Status #1:</u> The Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) each have 15 sites for FY2009 for a total of 30 sites. This is a 3% increase from last year. Through the increase of educational presentations to employers the VPP and SHARP programs should meet its goals.</p>

Performance Detail

A: Result - Full employment of Alaska workforce.

Target #1: Increase employment of the available Alaska resident workforce by .5% per year.

Status #1: The number of Alaska resident workers increased from 317,968 in 2006 to 322,758 in 2007, a 1.5% increase.



Methodology: Alaska residency is determined by matching the Alaska Department of Revenue Permanent Fund Dividend (PFD) file with the Alaska Department of Labor and Workforce Development wage file. The PFD file is a list of Alaskans who either applied for or received a PFD. The wage file contains quarterly earnings and industry information on workers covered by unemployment insurance within Alaska. Source: Nonresidents Working in Alaska data 1998-2007 (current as of January 2009)

Resident Workers in Alaska

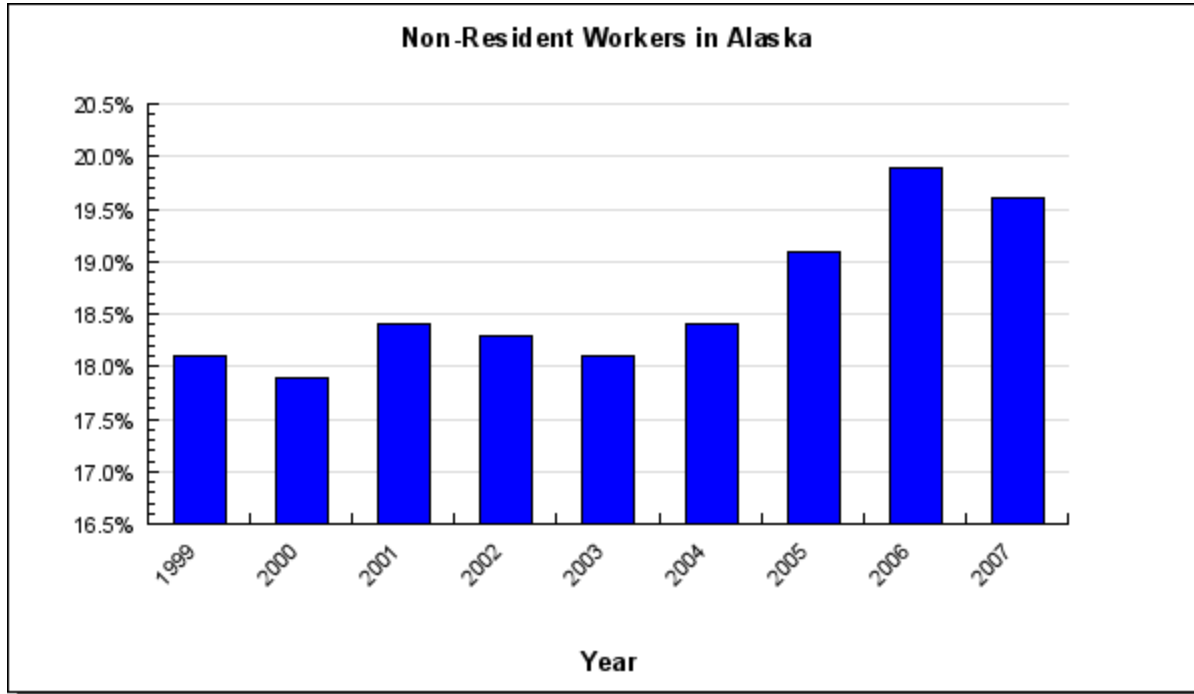
Year	Resident Workers	% Change	Nonresident Workers	% Change	Nonres Wkrs - % Total
2007	322,758	1.5%	78,669	-0.2%	19.6%
2006	317,968	0.9%	78,840	6.2%	19.9%
2005	315,003	0.7%	74,266	5.5%	19.1%
2004	312,686	1.0%	70,367	3.0%	18.4%
2003	309,468	1.0%	68,305	0.5%	18.1%
2002	306,521	1.5%	67,972	0.0%	18.2%
2001	301,881	1.3%	67,963	4.6%	18.4%
2000	297,885	1.4%	64,988	0.3%	17.9%
1999	293,901	2.5%	64,828	6.8%	18.1%
1998	286,707	---	69,551	---	19.5%

Analysis of results and challenges: Alaska's economy and population have consistently expanded over the past several years. This led to increases in the number of both resident and nonresident workers up until 2007 when the number of nonresident workers declined slightly from the previous year. One of the department's highest priorities is to provide the information and training programs that prepare the state's resident workforce to get the maximum benefit from the state's economic growth. To that end, the department is committed to improving the content and marketing of its training programs and producing sound occupational forecasts to help identify unmet training needs. The department will also work with industry to assess their needs, coordinate training programs, and enforce resident-hire laws and regulations.

2008 data will not be available until January 2010.

Target #2: Decrease the percent of non-residents working in Alaska by 2% per year.

Status #2: Nonresident hire rate declined from the previous year levels by 0.3%. The nonresident hire rate fell from 19.9% in 2006 to 19.6% in 2007.



Methodology: Permanent Fund Dividend data is compared to Employee Wage Records and other Alaska Employment data to develop the information.

Non-Resident Workers in Alaska

Year	% Non-resident
2007	19.6%
2006	19.9%
2005	19.1%
2004	18.4%
2003	18.1%
2002	18.3%
2001	18.4%
2000	17.9%
1999	18.1%

Analysis of results and challenges: There were 401,427 wage and salary workers in Alaska in 2007. Of those, 78,669 (19.6%) of the workforce were nonresident. In the last three years, the highest percentage of private sector nonresident workers was found in manufacturing (mainly seafood processing), scenic and sightseeing transportation, and accommodations. Maximizing resident hire continues to be a high priority of the department. Industries and occupations with high percentages of nonresident workers have been given high priority for new training dollars. Other efforts designed to increase resident hire include industry education and regulatory enforcement.

2008 data will not be available until January 2010.

A1: Strategy - Enforce the provisions for resident hire preference on public construction projects.

Target #1: Check 60% of certified payrolls for compliance with Alaska resident hire requirements.

Status #1: 60% of the certified payrolls were checked in FY2009 for compliance with resident hire requirements.

Certified Payrolls

Fiscal Year	# Received	# Checked	% Checked
FY 2009	48,428	29,023	60%
FY 2008	46,598	25,531	55%
FY 2007	41,266	26,123	63%
FY 2006	42,027	20,929	50%
FY 2005	43,942	9,215	21%
FY 2004	16,770	762	5%

Analysis of results and challenges: Wage and Hour was fully staffed with Wage & Hour Technicians for the majority of the year. As a result, the target goal of 60% of the certified payrolls being audited was met. The on-line certified payroll system is operational as of November 2009. This is expected to increase the percentage of payrolls audited by the end of FY2010 as more contractors begin to utilize the system. This program will allow improved tracking of resident hire and apprentice utilization performance.

A2: Strategy - Increase the number of Workforce Investment System participants who get jobs.

Target #1: Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year.

Status #1: In FY2009, 54% of Workforce Investment System participants entered employment after exiting the system.

More Alaskans with Jobs

Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Total	Change
FY 2010	54%	0	0	0	0	0
FY 2009	57%	57%	57%	43%	54%	-2%
FY 2008	56%	55%	56%	56%	56%	-2%
FY 2007	60%	59%	57%	56%	58%	-4%
FY 2006	64%	61%	61%	61%	62%	

Methodology: Source: Alaska Labor Exchange System (ALEXsys) and Labor Production System

Analysis of results and challenges: Entered Employment is defined as the number of participants who demonstrated employment (wages earned) in the first quarter after the quarter that they exit participation.

In FY2009, 54% of Workforce Investment System participants entered employment after exiting the system.

During the first quarter of FY2010, the number of unemployed participants that registered in Alaska Labor Exchange System (ALEXsys) increased by 5,901 compared to the prior quarter. This may be attributed to the economic downturn and correlates with the increased unemployment.

During the first quarter of FY2010, the number of participants that exited with wages in the following quarter increased by 7,580.

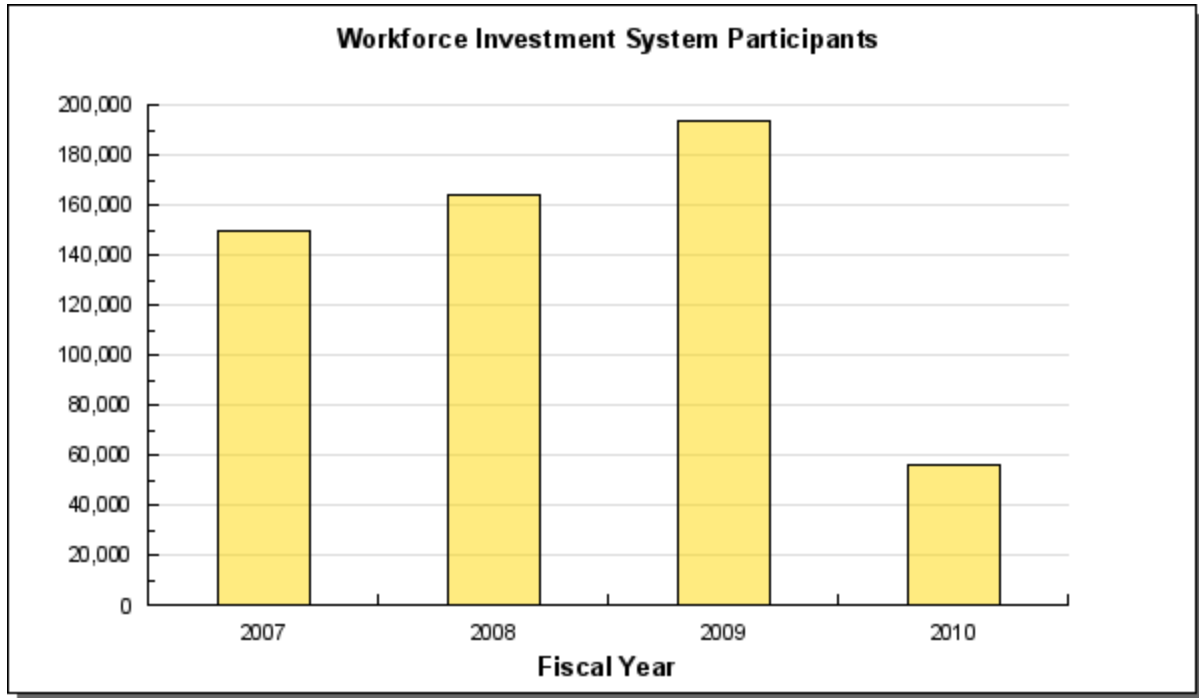
Alaska Job Centers employ a variety of efforts to boost the percentage of Workforce Investment System participants who enter employment. These include: professionals available to assist job seekers with ALEXsys registration, posting resumes, labor market and career information, searching for jobs, workshops, interview skills, training information, and providing services for veterans, seniors, persons with disabilities and unemployment insurance recipients. Worldwide Interactive Network (WIN) and KeyTrain courseware are available to assess job skills while exploring occupations. WorkKeys assessments are available in nine Job Center locations to measure "real world" skills that employers believe are critical to job success. WorkKeys Job Profiling services are available for employers.

Business Connection staff and apprenticeship specialists at Alaska Job Centers collaborate with employers in high growth industries in Alaska to create apprenticeship and other training programs.

Update: FY2010 2nd quarter information will be available after February 15, 2010.

Target #2: Increase the number of Workforce Investment System participants by 500 as compared to the previous year.

Status #2: Workforce Investment System participants increased by 29,420 in FY2009 as compared to FY2008.



Methodology: Source: Alaska Labor Exchange System (ALEXsys)

Workforce Investment System Participants

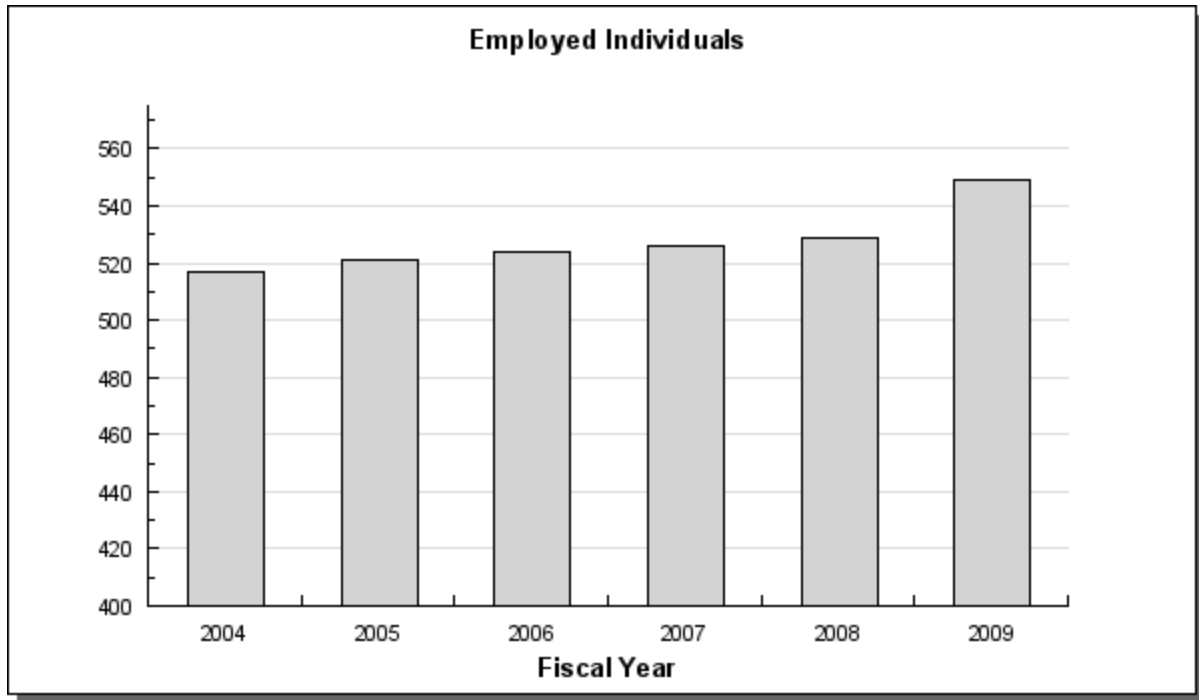
Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Total	Change
FY 2010	56,195	0	0	0	56,195	
FY 2009	41,880	43,980	52,445	55,218	193,523	18%
FY 2008	38,876	39,485	42,986	42,759	164,106	10%
FY 2007	34,992	35,826	39,811	39,227	149,856	0%

Analysis of results and challenges: The increase in participants may be due to the struggling economy which has resulted in fewer jobs available and Alaska's increase in unemployment.

Update: FY2010 2nd quarter information will be available after February 15, 2010.

Target #3: Equal prior year's number of employed individuals exiting the vocational rehabilitation program.

Status #3: The number of individuals exiting the vocational rehabilitation program employed in FY2009 was 549, a 3.8% increase over the prior year.



Methodology: The Division of Vocational Rehabilitation Management Information System tracks client outcomes.

Employed Individuals

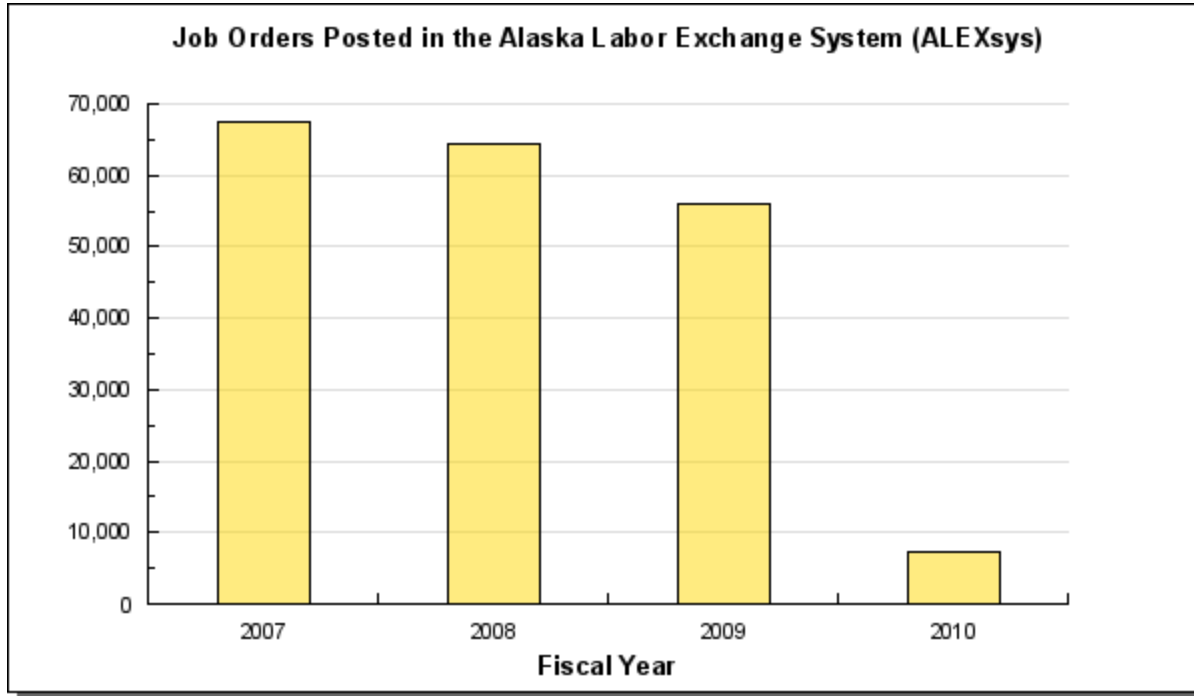
Fiscal Year	YTD Total
FY 2009	549
FY 2008	529
FY 2007	526
FY 2006	524
FY 2005	521
FY 2004	517

Analysis of results and challenges: An individual must be working for a minimum of 90 days in order to be counted as employed. The number of individuals employed has been relatively stable even though the number of applicants entering the program has slightly declined.

A3: Strategy - Increase the number of job orders and job openings listed in the Workforce Investment System.

Target #1: Increase the number of job openings placed by employers by 1,000 as compared to the previous year.

Status #1: 56,069 job openings were posted in the Alaska Labor Exchange System for FY2009, down 8,227 from a year ago.



Methodology: Source: Alaska Labor Exchange System (ALEXsys)

Job Orders Posted in the Alaska Labor Exchange System (ALEXsys)

Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Total	Change
FY 2010	7,383	0	0	0	7,383	
FY 2009	21,913	17,288	10,539	6,329	56,069	-13%
FY 2008	24,354	15,698	13,875	10,369	64,296	-5%
FY 2007	22,624	16,212	16,195	12,512	67,543	39%

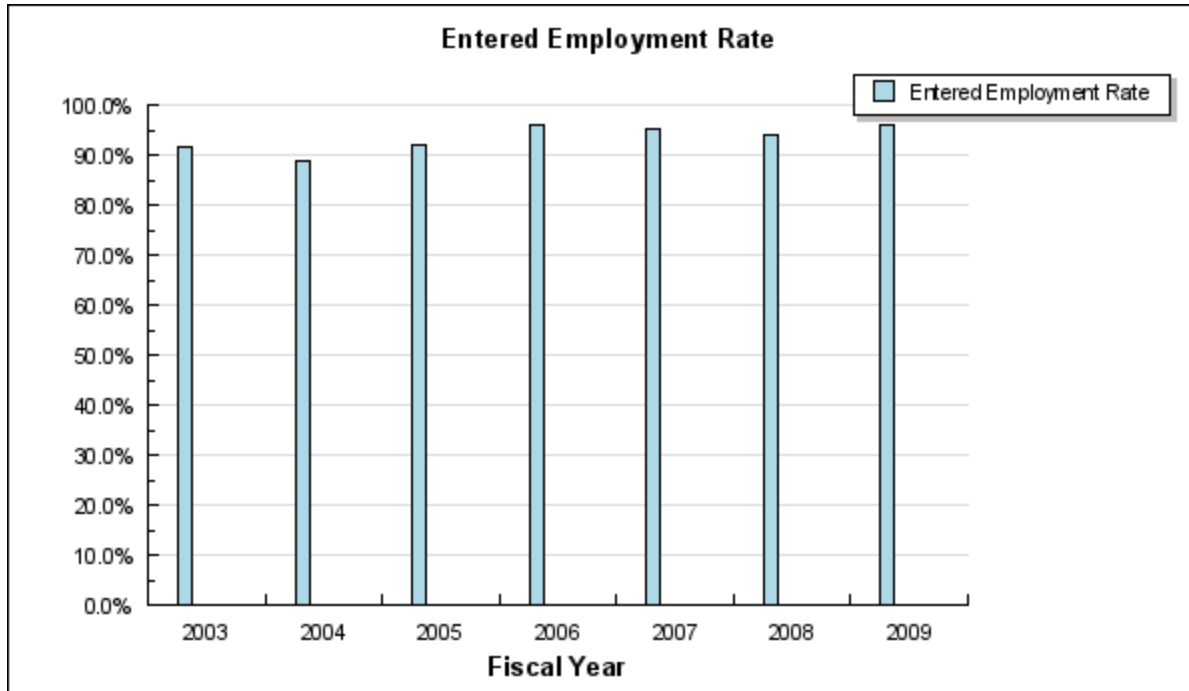
Analysis of results and challenges: Employers in Alaska continue to use Alaska Labor Exchange System (ALEXsys) as a tool to place job orders and match job seekers who have the skills employers need. ALEXsys is self-service in nature as an on-line labor exchange system. The decrease in new job openings in ALEXsys over the past year is due to the recent economic struggles and some companies downsizing. The most significant decrease in job openings listed in ALEXsys over the past year was in the utilities sector where there were 2,281 openings compared to 5,752 the previous year. Though most sectors had a decrease in the number of job openings, there were some sectors that had growth when compared to the previous year including Management of Companies and Enterprises, Educational Services, Health Care, Finance and Insurance, and Professional, Scientific and Technical Services.

Update: FY2010 2nd quarter information will be available after February 15, 2010.

B: Result - A prepared workforce.

Target #1: At least 95% of trained participants will enter employment

Status #1: The rate at which trained workforce participants, who complete training and enter employment remained above the target of 95% during FY 2009.



Methodology: Comparison of training participants who complete training to the Unemployment Insurance wage record one quarter after training is completed.

Entered Employment Rate

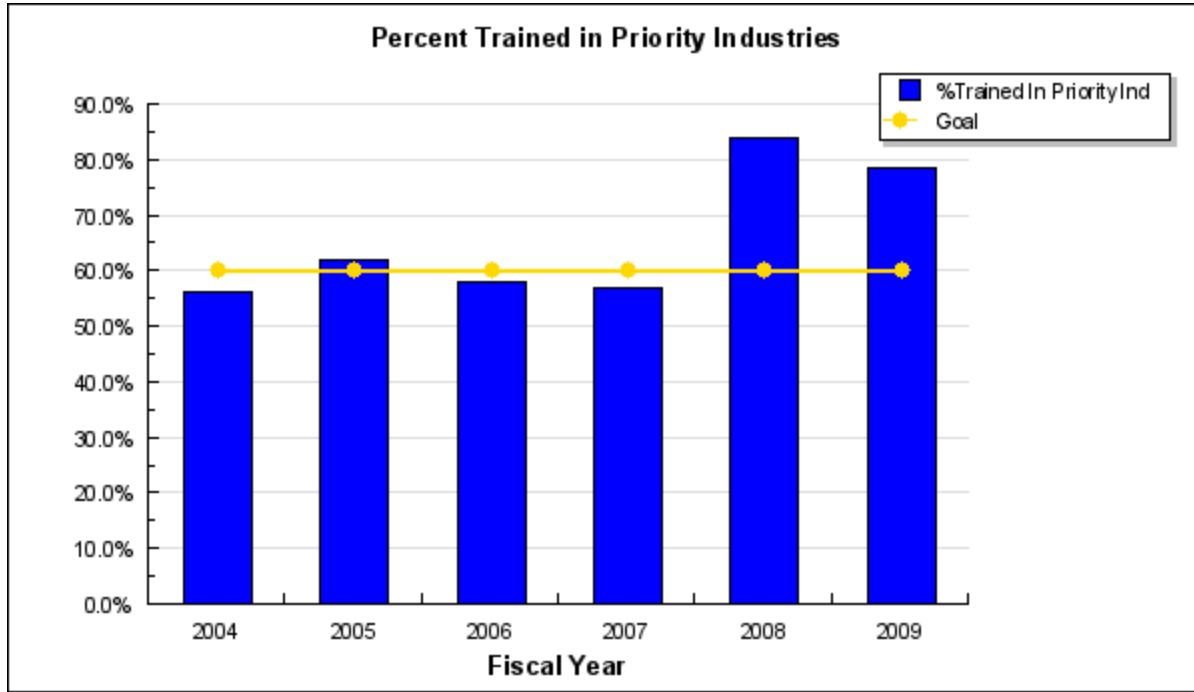
Fiscal Year	Entered Employment Rate	Target
FY 2009	95.9%	95%
FY 2008	94.0%	95%
FY 2007	95.2%	95%
FY 2006	96.0%	95%
FY 2005	92.0%	95%
FY 2004	89.0%	95%
FY 2003	91.5%	95%

Analysis of results and challenges: The Division of Business Partnerships' high rate of performance is attributed to a commitment that training services result in an employment outcome. Based on this commitment, the Division enters into grant agreements with grantees that have demonstrated a high degree of performance in terms of employment outcomes or have taken corrective action to improve their performance outcomes. We also partner and collaborate with grantees to leverage resources that meet state and federal requirements to promote strategies and initiatives identified in the Alaska Gasline Inducement Act (AGIA) Strategic Training Plan.

B1: Strategy - Improve the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).

Target #1: At least 60% of participants are trained in occupations aligned with the Alaska Workforce Investment Board industry priorities.

Status #1: The number of participants trained in Alaska Workforce Investment Board priority industries continues to exceed the 60% target, coming in at 78.4% for FY 2009.



Methodology: Comparison of participants training code to the occupational code obtained from the Unemployment Insurance wage record.

Percent Trained in Priority Industries

Fiscal Year	%Trained In Priority Ind	Goal
FY 2009	78.4%	60%
FY 2008	84.0%	60%
FY 2007	57.0%	60%
FY 2006	58.0%	60%
FY 2005	62.0%	60%
FY 2004	56.0%	60%

Analysis of results and challenges: The significant gain of participants completing training in occupations and industries aligned with the Alaska Workforce Investment Board industry priorities since FY2007, are a result of Board member participation in grant review panels, strategic solicitation for grant applications focused on the priority industries and occupations, and a public awareness campaign through career guide outreach activities focused on the high wage, high demand occupations.

C: Result - Eliminate accidental injuries, fatalities and occupational illnesses within departmental jurisdiction.

Target #1: 3% reduction in the 5 year moving average rate of workplace fatalities per 100,000 employees.

Status #1: Although the annual fatality rate jumped significantly in FY09, and this is cause for concern, the five year average rate was reduced by 21%. Alaska Occupational Safety and Health's strategy is to increase the number of staff visits to work sites assisting employers and employees by making recommendations for preventative measures and education, to reduce accidents in order to reach the zero fatality rate goal.

Workplace Fatalities

Fiscal Year	Yearly Rate	Previous 5-year Average	Prev. 5-yr Avg % Change
FY 2009	1.55	1.03	-21%
FY 2008	.31	1.31	+3%
FY 2007	1.58	1.27	-11%
FY 2006	1.94	1.43	-23%
FY 2005	1.32	1.87	-20%
FY 2004	0	2.33	0

Methodology: Rate is calculated each year on September 30.

Analysis of results and challenges: This statistic will be calculated using workplace fatality reports submitted to the Alaska Occupational Safety and Health (AKOSH) section and employment statistics maintained by the department's Labor Market Information section. AKOSH will reduce workplace fatalities through a combination of consultation and enforcement activities targeted on eliminating the most prevalent causes of fatalities in industries with high fatality rates.

Target #2: 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees.

Status #2: Fiscal year 2009 rate of workplace lost time injuries and illnesses increased 2% after declining 15% in fiscal year 2008.

Worker Lost Time Injuries and Illnesses

Fiscal Year	Rate	% Change
FY 2009	1.76	2%
FY 2008	1.71	-15%
FY 2007	2.02	-10%
FY 2006	2.24	-2%
FY 2005	2.29	18%
FY 2004	1.94	-29%
FY 2003	2.73	-16%
FY 2002	3.24	-10%
FY 2001	3.59	

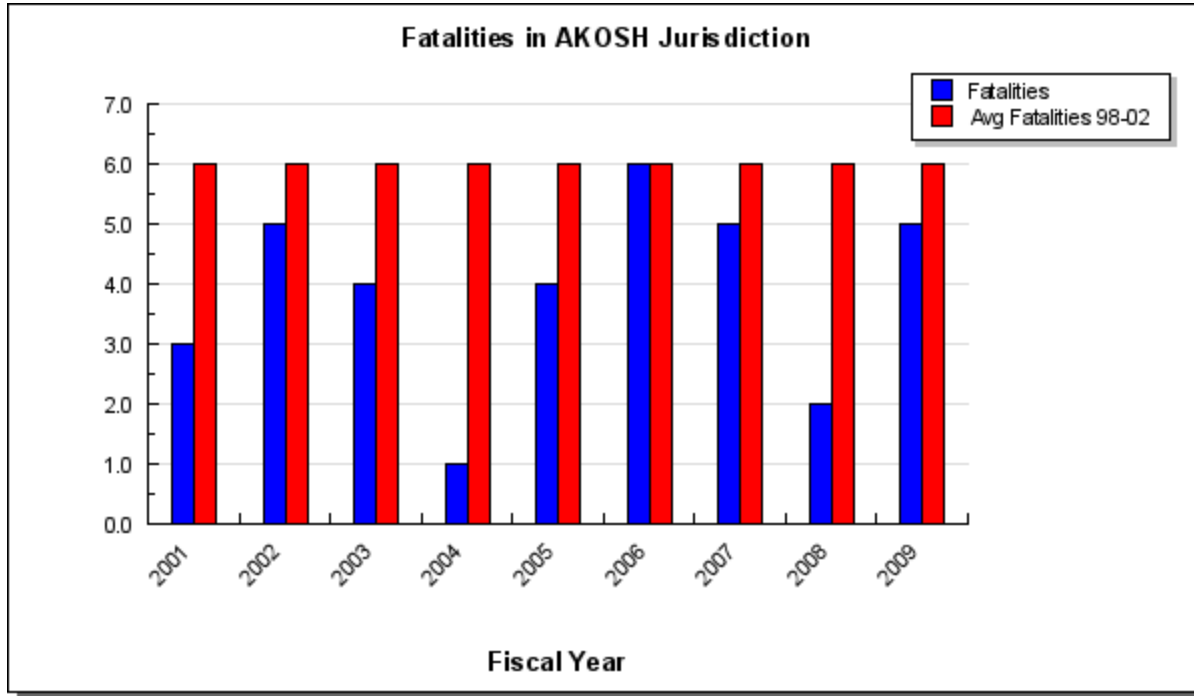
Methodology: Rate is calculated each year on September 30.

Analysis of results and challenges: Since FY2001, the Alaska Occupational Safety and Health program has reduced the lost workday illness and injury rate by 48% by targeting consultation and enforcement efforts on the causes of illnesses and injuries in industries with high incident rates. In FY2009, the program initiated a five year strategic plan which focused inspection, and training and consultation efforts on high growth, high hazard industries (construction, transportation/warehousing and seafood processing) as evidenced by Worker's Compensation Insurance claims data.

To help put the rate into perspective, there were 5,455 recorded injuries with 318,077 employees in FY2008 and 5,278 recorded injuries with 317,677 employees in FY2009. Even though the Alaska economy only lost 400 jobs over the last year, there were 177 fewer recorded injuries in FY2009.

Target #3: Zero accidental workplace fatalities.

Status #3: In FY2009, Alaska Occupational Safety and Health's jurisdiction had five workplace fatalities as opposed to two in FY2008. However, the long term trend illustrates a sustained reduction in the fatality rate below the benchmark rate of six.



Methodology: The number of workplace fatalities will be calculated using fatality reports submitted to AKOSH.

Fatalities in AKOSH Jurisdiction

Fiscal Year	Fatalities	Avg Fatalities 98-02
FY 2009	5	6
FY 2008	2	6
FY 2007	5	6
FY 2006	6	6
FY 2005	4	6
FY 2004	1	6
FY 2003	4	6
FY 2002	5	6
FY 2001	3	6

Analysis of results and challenges: The number of workplace fatalities will be calculated using fatality reports submitted to the Alaska Occupational Safety and Health Administration (AKOSH). AKOSH will reduce workplace fatalities through consultation and enforcement inspections by targeting industries with high fatality rates and eliminating the most prevalent causes of fatalities.

Due to the relatively small number of workplace fatalities and the annual fluctuations, it is useful to compare the current number of fatalities to the average number of fatalities over a 5 year period. The benchmark is from 1998-2002 when there was an average of six fatalities per year. Although the number of fatalities in 2009 increased significantly from two to five in comparison to the previous year, the five year average from 2005 through 2009 is 4.4 fatalities per year, for a 26.6% reduction from the benchmark period. Consequently, the long term trend is positive.

C1: Strategy - Improve voluntary compliance with Occupational Safety and Health (OSH) requirements.

Target #1: Increase the number of Voluntary Protection Program and Safety & Health Achievement Recognition Program sites in Alaska by 10% per year.

Status #1: The Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) each have 15 sites for FY2009 for a total of 30 sites. This is a 3% increase from last year. Through the increase of educational presentations to employers the VPP and SHARP programs should meet its goals.

VPP and SHARP Sites

Fiscal Year	VPP Sites	SHARP Sites	Total Sites	%Change
FY 2009	15	15	30	3%
FY 2008	13	16	29	16%
FY 2007	12	13	25	14%
FY 2006	11	11	22	29%
FY 2005	6	11	17	0
FY 2004	6	11	17	31%
FY 2003	4	9	13	44%
FY 2002	3	6	9	200%
FY 2001	3	0	3	

Analysis of results and challenges: The federal Safety & Health Achievement Recognition Program (SHARP) targets smaller employers with less than 250 employees at a site and less than 500 employees total. These smaller employers have a difficult time making the commitment necessary to participate in SHARP. In addition, one benefit of participation, deferred enforcement inspections for 18 months as set in federal regulations, is not significant when Alaska statutes provide a 12 month deferral for any company that receives a comprehensive consultation visit and corrects all hazards. The federal Voluntary Protection Program (VPP) is designed for larger employers with 500+ employees. Qualification for VPP is time consuming and Alaska has relatively few employers large enough to qualify.

SHARP and VPP participation will be improved by promoting the benefits of the program to businesses. Consultants will work in partnership with businesses to assist with the development, implementation and maintenance of occupational safety and health programs and performance necessary to meet VPP and SHARP participation standards. The benefits to employers to participate in these programs are reductions in injuries and illnesses, a reduction in operational costs and an increase in productivity.